

ASSEMBLY BILL

No. 1191

Introduced by Assembly Member Wiggins

February 21, 2003

An act to add Chapter 11.5 (commencing with Section 679.9) to Part 1 of Division 1 of the Insurance Code, relating to property insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1191, as introduced, Wiggins. Property insurance: rates: disclosure.

Existing law generally regulates the insurance industry.

This bill would require an insurer under certain property insurance policies to inform an insured of (1) any increase or decrease in an annual premium as compared to the previous year, (2) the reasons for the change, and (3) specified telephone numbers where the insured may register complaints.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 11.5 (commencing with Section 679.9)
2 is added to Part 1 of Division 1 of the Insurance Code, to read:
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1 CHAPTER 11.5. DISCLOSURE REQUIREMENTS FOR CERTAIN
2 PROPERTY INSURANCE
3

4 679.9. If an insurer changes the annual premium under a
5 policy specified in Section 675, it shall inform the insured of each
6 of the following:

7 (a) The amount of the premium increase or decrease, expressed
8 on an annualized basis, in comparison to the premium charged in
9 the previous year.

10 (b) The reason or reasons for the change.

11 (c) The telephone number that handles the insurer's customer
12 complaints.

13 (d) The Department of Insurance telephone number that may
14 be used to register complaints.

